Global Aircraft MRO Supercycle: The Next Geographic Growth Frontier

aranca

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Aircraft MRO Supercycle: Where Is the Next Incremental Opportunity?

A global MRO Supercycle; Africa and the Middle East emerge as the next growth frontiers

Supply Constraints and Fleet Growth Sustain the MRO Cycle

17,000+
Aircraft order backlog, 2025

~60%
Backlog / active fleet, 2025

15.1 yrs
Avg global fleet age, 2025

~USD 193bn
MRO demand forecast, 2036E

3.4%
Global line-maintenance CAGR, 2026–36E

What Is Driving Incremental MRO Demand?

- Rapid fleet expansion
- Rising passenger traffic
- High aircraft utilisation
- Older, maintenance-intensive fleets
- Growing local MRO infrastructure
- More cross-border, long-haul links

If the global MRO cycle is established, where does the next incremental demand come from?

AFRICA + MIDDLE EAST

Regional fleet & MRO growth, 2026-36E (CAGR)

Region	Fleet CAGR, 2026-36E	MRO CAGR, 2026-36E
Africa	**4.4%**	**5.2%**
Middle East	**5.2%**	**4.1%**
World	3.2%	3.3%
North America	2.0%	2.8%
Western Europe	2.1%	2.8%

Bottom line:. The US and Europe remain the largest established MRO pools; Africa and the Middle East represent the next sources of incremental aviation and aftermarket demand. Africa's opportunity is driven by higher maintenance intensity and capacity gaps, while the Middle East benefits from rapid fleet expansion and high aircraft utilization.

Source: *Aranca Research, IATA, Oliver Wyman, AFRAA, Boeing/Airbus*

Africa's Aviation Growth Opens MRO Opportunity

Growing fleets; untapped MRO opportunity

5.8%
Passenger traffic CAGR in Africa, 2025-45E

14.5 years
Average African fleet age (2025), vs 11.4 years in North America

1,165
New deliveries, 2026-45E

25,000
Additional aviation technicians needed 2026-45E

755
Fleet, 2025 (aircraft)

1,625
Fleet, 2045E (factoring in 295 fleet retirements)

75%
Single-aisle share of expected deliveries for regional connectivity

USD 90bn
Maintenance demand in Africa, 2026-45E

Three structural drivers for regional MRO growth

- Growing fleets drive higher maintenance demand
- Older fleets increase maintenance intensity
- Limited local MRO capacity creates localization opportunities

Companies Positioned to Capture Africa's MRO Growth

GE Aerospace / CFM
LEAP and CFM56 engine installed base

Safran
Particularly relevant to widebody

Pratt & Whitney
GTF engine aftermarket exposure

Rolls-Royce
Widebody engine maintenance

Lufthansa Technik
Component repair and technical services

Ethiopian MRO
Africa-based engine, airframe and component MRO

Source: *Aranca Research, IATA, Oliver Wyman, AFRAA, Boeing/Airbus*

Middle East Fleet Growth Drives Aftermarket Demand

Expanding aviation hubs; High-value aftermarket opportunity

5.2%
Fleet CAGR, 2026-36E

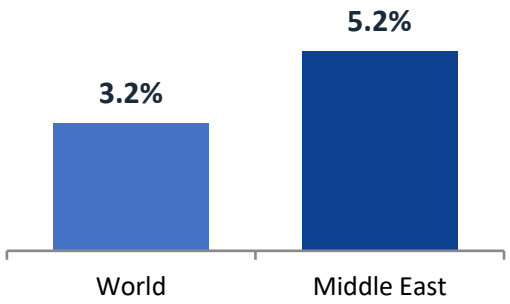
4.1%
MRO CAGR, 2026-36E

USD 475bn
Aviation services demand, 2026-45E

~2,950
New aircraft deliveries, in Middle East by 2044E

236,000
Aviation personnel demand by 2045E

Fleet CAGR: Middle East vs World 2026-36E



46%

Widebody Share of new Aircraft Deliveries

High-value engine & heavy-maintenance exposure

One of the world's major aviation hubs, with fleet growth materially above the global average and a high concentration of widebody aircraft

High-utilisation long-haul fleets generate significant engine, component and heavy-maintenance requirements

The region is investing in its own MRO infrastructure, opening partnerships, engine services, parts and technology for global OEMs, while regional providers capture more third-party work

Platform exposure in the Middle East

GE / CFM
Narrowbody + widebody installed base

Pratt & Whitney
Airbus / GTF exposure

Rolls-Royce
Particularly relevant to widebody

Safran
LEAP / CFM ecosystem

MTU Aero Engines
Engine MRO

Lufthansa Technik
Heavy maintenance / technical services

Source: *Aranca Research, IATA, Oliver Wyman, AFRAA, Boeing/Airbus*

Aranca View

Directionally positive, with selective regional exposure preferred over a broad-based bet

1 Structural Aftermarket Demand

- Aircraft delivery delays extend existing fleet lifecycles.
- Higher utilization drives maintenance requirements.
- Growing fleets expand the long-term installed base.

2 Two Distinct Regional Growth Engines

- Africa offers rising maintenance intensity and localization potential.
- The Middle East benefits from hub expansion and widebody operations.
- Both regions benefit from expanding demand for maintenance services.

3 An Investable Global Profit Pool

- Engine OEMs benefit recurring service contracts.
- Component specialists capture demand through parts and repair capabilities.
- Selective exposure to aftermarket leaders offers strong investment case.

Our Assessment

- The opportunity is attractive, but returns are likely to accrue selectively to established aftermarket leaders.
- Engine OEMs and component specialists offer exposure to a growing installed base.
- Proprietary technology, aftermarket parts and recurring service contracts strengthen the investment case.

Key Risks

- Geopolitical disruption and volatility in air traffic.
- Skilled labor shortages and constraints on local MRO capacity.
- New aircraft deliveries may take time to translate into material aftermarket revenues.

Source: *Aranca Research*

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